

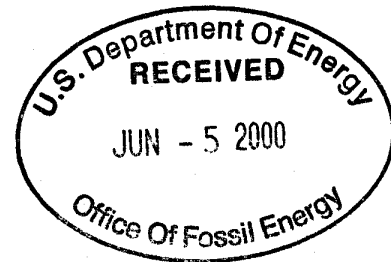


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June 2, 2000

Anthony J. Como
Manager, Electric Power Regulation
Office of Coal & Power Im/Ex (FE-27)
Office of Fossil Energy
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585-0350



Re: Application to Export Electric Energy
Split Rock Energy LLC
Docket No. EA- 225

Dear Mr. Como:

Enclosed please find an original and fifteen (15) copies of the Application of Split Rock Energy LLC for Authorization to Transmit Electric Energy to Canada, together with verification, opinion of counsel and exhibits. As indicated in the Application, Split Rock Energy LLC is jointly owned by Minnesota Power, Inc. and Great River Energy (a public power cooperative serving load in Central and Western Minnesota.)

Also enclosed is an additional copy which should be date stamped, including the Docket No., and returned to the attention of the undersigned in the envelope provided for that purpose.

A draft Notice suitable for publication in the Federal Register is also enclosed, together with a 3 1/2" diskette formatted in WordPerfect 5.1 for DOS.

If there are any questions regarding this filing, please contact the undersigned counsel for the Company.

Very truly yours,

Steven W. Tyacke

gp

Enclosures

c: Ade Mussell
Ben Deutsch

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UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

Split Rock Energy LLC

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)
Docket No. EA- 225

APPLICATION OF SPLIT ROCK ENERGY LLC
FOR AUTHORIZATION TO
TRANSMIT ELECTRIC ENERGY TO CANADA

Split Rock Energy LLC (Split Rock), pursuant to Section 202(e) of the Federal Power Act (FPA)(16 U.S.C. §824a(e)) and 10 C.F.R. §205.300 *et seq.* (1966), hereby submits an application for authorization to transmit electric energy from the United States to Canada for a period of two years (or for such other period as the Department deems appropriate.)

I. DESCRIPTION OF APPLICANT

The exact legal name of the applicant is Split Rock Energy LLC (Split Rock). Split Rock, a Minnesota limited liability company, is engaged in the marketing of electric power at wholesale. Split Rock is authorized by the Federal Energy Regulatory Commission (FERC) to make sales of electric power at wholesale in interstate commerce, at negotiated rates under the Restated Mid-Continent Area Power Pool (MAPP) Agreement and its market-based rate tariff as well as other FERC Rate Schedules on file at FERC.

II. PARTNERS

Split Rock's authorization to export power will be on behalf of its members, Minnesota Power, Inc. and Great River Energy. However, it is not seeking authorization to export power on behalf of any partners or partnership.

III. COMMUNICATIONS

Communications regarding this application should be addressed to the following:

Steven W. Tyacke, Esq.
Split Rock Energy LLC
30 West Superior Street
Duluth, MN 55802
(218) 723-3963
Fax (218) 723-3955

IV. ORGANIZATION OF APPLICANT, AUTHORITY TO DO BUSINESS

Split Rock is a Minnesota limited liability company having its principal place of business in Elk River, Minnesota. Currently Split Rock is authorized to do business in the State of Minnesota.

V. JURISDICTION

Split Rock does not know of any other Federal, State or local government that has jurisdiction over the actions to be taken under the authority sought in this Application.

VI. FACILITIES

Split Rock intends to export power over existing transmission interconnections between the United States and Canada. Exhibit C to this Application provides the location and description of the transmission facilities through which the electric energy may be delivered into Canada, and includes the name of the facility owners as well as the Presidential Permit numbers.

VII. TECHNICAL DISCUSSION OF PROPOSAL

The electric power Split Rock will export, on either a firm or interruptible basis, will generally be purchased from others voluntarily and will, therefore, be surplus to the needs of

the selling entities. Split Rock does have an obligation to serve the end use obligation of Minnesota Power in northeastern Minnesota and the end use load obligations of Great River Energy in Central and Western Minnesota. However, the exports proposed by Split Rock will not impair its ability to meet any current and prospective wholesale power supply obligations in the United States.

Split Rock's proposed exports will not impair or tend to impede the sufficiency of electric supplies in the United States or the regional coordination of electric utility planning or operations.

VIII. PROCEDURES

Split Rock's application is consistent with United States energy policy established in the Energy Policy Act of 1992, the North American Free Trade Agreement of 1993 and FERC Order No. 888, which fosters more efficient and competitive North American energy markets.

Split Rock, in this proceeding, is seeking authorization, as a power marketer, to export electricity through existing border facilities although specific transactions have not yet been finalized. Split Rock may begin exporting electricity upon the Department's grant of this Application.

Split Rock will file an annual report with exports and imports resulting from the export authorization requested in this proceeding, as directed by the Department. Also, Split Rock is willing to accept general conditions consistent with the Department's previous power marketer authorizations for this additional export authorization. In particular, if required by the Department, exports made by Split Rock will not exceed the export limits for the transmission facilities utilized by Split Rock, or otherwise cause a violation of the terms and conditions set forth in the export authorizations applicable to each; prior to commencing exports, Split Rock will provide written evidence to the Department that it has secured sufficient transmission service for the delivery of power to the border; when scheduling the

delivery of power, Split Rock will comply with the applicable NERC reliability criteria, standards, and guidelines; and, for each calendar quarter, Split Rock will provide the Department with reports indicating the gross amount of electricity delivered to Canada, consideration received during each month, and the maximum hourly rate of transmission, as well as any additional annual reports required by the Commission.

IX. EXHIBITS

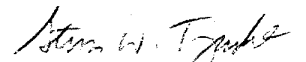
The following exhibits are attached hereto:

- Exhibit A - Agreements (Not applicable)
- Exhibit B - Legal Opinion of Split Rock's counsel
- Exhibit C - Transmission Facilities (Submitted in lieu of Maps)
- Exhibit D - (Not applicable)
- Exhibit E - (Not applicable)
- Exhibit F - (Not applicable)

X. CONCLUSION

WHEREFORE, Split Rock respectfully requests that the Department review and grant this Application in an expeditious manner.

Respectfully submitted,


Steven W. Tyacke, Esq.
Split Rock Energy LLC
30 West Superior Street
Duluth, MN 55802
(218) 723-3963

Dated this 2nd day of June, 2000.



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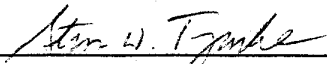
June 2, 2000

Anthony J. Como
Manager, Electric Power Regulation
Office of Coal & Power Im/Ex (FE-27)
Office of Fossil Energy
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585-0350

Dear Mr. Como:

The following opinion is given in support of the Application of Split Rock Energy LLC for authorization to transmit electric energy to Canada.

1. I am an attorney, authorized to practice law in Minnesota and Wisconsin;
2. I am serving as Counsel for Split Rock Energy LLC in this matter;
3. Split Rock Energy LLC is duly organized, validly existing and in good standing under the laws of the State of Minnesota and is authorized to do business in the states of Minnesota and such other states as required by the current nature of its business.
4. Split Rock Energy LLC has full corporate power and authority to buy, sell or act as a marketer/broker in the sale and exportation of electric energy as requested in this Application; and
5. Split Rock Energy LLC intends to comply with all applicable Federal and State laws.



Steven W. Tyacke
Assistant General Counsel

Legal Opin.doc

Transmission System Information

<u>Owner</u>	<u>Location</u>	<u>Voltage</u>	<u>Presidential Permit No.</u>
Basin Electric Power Coop.	Tioga, ND	230 kV	PP-64
Bonneville Power Administration	Blaine, WA Nelway, WA Nelway, WA	2-500 kV 230 kV 230 kV	PP-10 PP-36 PP-46
Citizens Utilities	Derby Line, VT	120 kV	PP-66
Detroit Edison	St. Clair, MI Maryville, MI Detroit, MI St. Clair, MI	345 kV 230 kV 230 kV 345 kV	PP-38 PP-21 PP-21 PP-58
Eastern Maine Electric Coop	Calais, ME	69 kV	PP-32
Joint Owners of Highgate Project	Highgate, VT	345 kV	PP-82
Long Sault	Massena, NY	2 - 115kV	PP-24
Maine Electric Power Co.	Houlton, ME	345 kV	PP-43
Maine Public Service Co.	Limestone, ME Fort Fairfield, ME Aroonstook Co., ME Madawaska, ME	69 kV 69 kV 138 kV 2-69 kV	PP-12 PP-12 PP-29 PP-29
Minnesota Power, Inc.	Roseau County, MN International Falls, MN	230kV 115kV	PP-61 PP-78
Minnkota Power Cooperative	Roseau County, MN	230kV	PP-61 ¹
New York Power Authority	Massena, NY Massena, NY Niagara Falls, NY Devils Hole, NY	765 kV 2-230 kV 2-345 kV 230 kV	PP-56 PP-25 PP-74 PP-30

¹ To the extent Minnesota Power does not have export authorization rights under the current PP-61 and export authorizations for this facility which is jointly owned by Minnkota Power Cooperative and Minnesota Power.

<u>Owner</u>	<u>Location</u>	<u>Voltage</u>	<u>Presidential Permit No.</u>
Niagara Mohawk Power Corp.	Devils Hole, NY	230 kV	PP-31
Northern States Power	Red River, ND	230 kV	PP-45
	Roseau County, MN	500 kV	PP-63
Vermont Electric Transmission Co.	Norton, VT	450 kV (DC)	PP-76

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VERIFICATION

STATE OF MINNESOTA)
) ss.
COUNTY OF ST. LOUIS)

I, Steven W. Tyacke, Assistant General Counsel of Minnesota Power, Inc., a Minnesota corporation, having knowledge of the matters set forth in the above Application of Split Rock Energy LLC for Authorization to Transmit Electric Energy to Canada, hereby verify that the contents thereof are true and correct to the best of my knowledge and belief.

Steven W. Tyacke
Steven W. Tyacke

Subscribed and sworn to before me
this 2nd day of June, 2000.

Geraldine H. Peterson
Notary Public

Verification.doc

